

CHAPTER NO. 604

SENATE BILL NO. 3420

By Crutchfield, McLeary

Substituted for: House Bill No. 3482

By McMillan, Coleman

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 9, Part 5, relative to the costs of administrative supervision.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 9, Part 5, is amended by adding the following appropriately numbered new section:

Section _____. (a) The commissioner shall have the discretion to require any insurer placed under administrative supervision (as authorized by this part) to pay any and all appropriate and reasonable costs incurred during the supervision, including, but not limited to:

(1) the expenses of the commissioner or the commissioner's designated appointee; and

(2) the compensation of such experts, actuaries and examiners as may be contracted for by the commissioner or the commissioner's designated appointee for the purpose of assisting in the supervision. Such compensation shall be fixed at a reasonable amount commensurate with usual compensation for like services and shall not exceed one hundred fifty percent (150%) of the compensation and per diem allowances set forth in the guidelines adopted by the National Association of Insurance Commissioners.

(b) The costs of an administrative supervision incurred by the commissioner shall be paid into the department for its use and benefit in meeting the expenses and compensation for the persons engaged in such supervision.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.

PASSED: April 26, 2004


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 5th day of May 2004


PHIL BREDESEN, GOVERNOR